

December 15, 2010

ITEM NO. B6

AUTHORIZATION TO 1) EXECUTE AN AGREEMENT TO ENTER INTO HOUSING ASSISTANCE PAYMENT CONTRACT WITH IRONWOOD COURT; 2) EXECUTE AN AGREEMENT TO ENTER INTO HOUSING ASSISTANCE PAYMENT CONTRACT WITH PARK APARTMENTS; 3) EXECUTE A HOUSING ASSISTANCE PAYMENT CONTRACT WITH ARCHER AVENUE SENIOR RESIDENCES; 4) EXECUTE A HOUSING ASSISTANCE PAYMENT CONTRACT WITH HOLLYWOOD HOUSE; AND 5) EXECUTE ALL OTHER DOCUMENTS AS MAY BE NECESSARY OR APPROPRIATE TO IMPLEMENT THE FOREGOING.

To the Honorable Board of Commissioners:

RECOMMENDATIONS

It is recommended that the Board of Commissioners approve the attached Resolution authorizing the Chief Executive Officer or his designee to 1) execute an Agreement to Enter Into Housing Assistance Payment Contract with Ironwood Court; 2) execute an Agreement to Enter Into Housing Assistance Payment Contract with Park Apartments; 3) execute a Housing Assistance Payment Contract with Archer Avenue Senior Residences; 4) execute a Housing Assistance Payment Contract with Hollywood House; and 5) execute all other documents as may be necessary or appropriate to implement the foregoing. The purpose of entering into the two Agreement to Enter Into Housing Assistance Payment ("AHAP") contracts and the two Housing Assistance Payment ("HAP") contracts is to provide Property Rental Assistance (PRA) for a total of one hundred and seven (107) apartments as more specifically set forth below and to take all actions necessary or appropriate to implement the foregoing for the maximum allowable term, subject to any required HUD approvals.

Development Name	Community Area	Owner/Agent	App Type	HAP Contract Term (Years)	Target Population	Total Units	PRA Units	Support Services
Ironwood Court	Washington Park	Richard Sciortino (Brinshore)	Rehab	20	Working Families	46	14	NO
Park Apartments	Washington Park	David Brint (Brinshore)	Rehab	20	Working Families	120	30	NO
Archer Ave Senior Residences	Bridgeport	Anthony J Fusco Jr (Chicago Community Dev. Corp)	Existing	30	Seniors	55	12	NO
Hollywood House	Edgewater	Erica Champer (Heartland Housing)	Existing	30	Seniors	197	51	NO

Total Properties Recommended: 107 Units/4 Applications

FUNDING SOURCE

General Fund

EXPLANATION

Ironwood Court is a vintage courtyard 46-unit apartment building that was built in approximately 1916. The building is located in Washington Park at 6015 S. Indiana Avenue. Brinshore Development, LLC will completely rehabilitate the building using \$5.6 million in City of Chicago/Mercy Housing Neighborhood Stabilization Program funds and a \$700,000 loan from Community Investment Corporation (CIC). Eastlake Management Group, Inc. will be the management agent. The PRA application is for fourteen (14) units comprised of eight (8) 2-bedroom/1&2-bath, four (4) 3-bedroom/2-bath, and two (2) 4-bedroom/2-bath. PRA rents are supported by the market study and range from \$850-\$1,200 per month. Expected completion is June 2011.

Park Apartments is a collection of vintage buildings that comprise four structures and 120 total units located in Washington Park. The development was built in 1920 and is located at 220 E. Garfield Boulevard. Brinshore Development, LLC will complete a \$13.4 million rolling rehabilitation of the development using U.S. Treasury New Issue Bond Program (NIBP), 16.02 Exchange Funds, and 4% Low Income Housing Tax Credits (LIHTC). Metroplex will be the management agent. The PRA application is for thirty (30) units comprised of four (4) 1-bedrooms, thirteen (13) 2-bedrooms, twelve (12) 3-bedrooms, and one (1) 4-bedroom. PRA rents are supported by the market study and range from \$734-\$1,100 per month. Expected completion is November 2011, however because the renovation will be phased, CHA may elect to execute a phased HAP Contract to include units as they are completed.

Archer Avenue Senior Residences was constructed in 2007. The development is located in Bridgeport/Chinatown at 2928 S. Archer Avenue. The 55-unit midrise development contains fifty 1-bedroom and five 2-bedroom units and targets elderly households aged 62 and over. Chicago Community Development Corporation (CCDC) developed the property using Low Income Housing Tax Credits (LIHTC) and HOME funds. Eastlake Management Group, Inc. is the management agent. Services such as Neighborhood Networks Computer Learning Center and Senior Service Coordinators are provided at the site. All of the proposed twelve (12) PRA units substantially comply with Housing Quality Standard (HQS) inspection requirements. The proposed PRA units are comprised of eight (8) 1-bedrooms and four (4) 2-bedrooms. The PRA rent is comparable with market rate units in the development and ranges from \$883-\$938 per month.

Hollywood House was renovated in 2009 and the lease-up will be completed this year. Hollywood House is a 12 story elevator building located in Edgewater at 5700 N. Sheridan. The 197-unit high-rise development contains ninety-eight (98) studios and ninety-nine (99) 1-bedroom units and targets elderly households aged 62 and over. Heartland Housing developed the property using Low Income Housing Tax Credits (LIHTC). Heartland Housing Inc. is the management agent. All of the proposed PRA units substantially comply with Housing Quality Standard (HQS) inspection requirements. The PRA application is for fifty-one (51) units comprised of twenty-six (26) studios and twenty-five (25) 1-bedroom units. The PRA rent is comparable with market rate units in the development and ranges from \$741-\$849 per month.

Based on the foregoing, it is recommended that the Board of Commissioners approve the attached Resolution authorizing the Chief Executive Officer or his designee to execute two AHAP contracts and two (2) HAP contracts with the Owners/Agents listed herein to provide PRA for a total of one hundred and seven (107) apartments at the properties listed herein and to take all actions necessary or appropriate to implement the foregoing for the maximum allowable term, subject to any required HUD approvals.

RESOLUTION NO. 2010-CHA-169

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board letter dated December 15, 2010, requesting Authorization to 1) execute an Agreement to Enter Into Housing Assistance Payment Contract with Ironwood Court; 2) execute an Agreement to Enter Into Housing Assistance Payment Contract with Park Apartments; 3) execute a Housing Assistance Payment Contract with Archer Avenue Senior Residences; 4) execute a Housing Assistance Payment Contract with Hollywood House; and 5) execute all other documents as may be necessary or appropriate to implement the foregoing.

THEREFORE, BE IT RESOLVED BUT THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to 1) execute an Agreement to Enter Into Housing Assistance Payment Contract with Ironwood Court; 2) execute an Agreement to Enter Into Housing Assistance Payment Contract with Park Apartments; 3) execute a Housing Assistance Payment Contract with Archer Avenue Senior Residences; 4) execute a Housing Assistance Payment contract with Hollywood House; and 5) execute all other documents as may be necessary or appropriate to implement the foregoing.

